



## Biotech Firm Matrix Genetics Receives Investment From Avista Development

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Aug 29, 2012 (Marketwire via COMTEX) --Matrix Genetics ("Matrix"), a biotechnology company focused on producing renewable fuels and specialty chemicals derived from cyanobacteria (blue-green algae) announced today that Spokane, Wash. based Avista Development, Inc. has invested in the company. Avista Development is the venture arm of Avista Corp. (NYSE: AVA), an energy company involved in the production, transmission and distribution of energy as well as other energy-related businesses. The investment provides Matrix with working capital needed to complete its spinout from Seattle-based Targeted Growth, an agricultural biotechnology company where the foundation of Matrix's technology was developed.

"Avista's investment is the springboard for Matrix to become an independent company with the resources to further develop our technologies that are creating a pathway to low-carbon, sustainable and renewable fuels and chemicals," said Margaret McCormick, CEO of Matrix Genetics. "Their support will enable us to add staff, expand our labs, and continue the great tradition of bioscience companies in the state of Washington."

Matrix is developing technologies to leverage the potential of cyanobacteria as a feedstock for the production of a rich diversity of valuable carbon-based chemicals. Cyanobacteria are the most abundant, diverse and robust micro-algae on Earth, using only the energy from sunlight to convert atmospheric carbon dioxide directly into fuels and other biological chemicals. They are also relatively simple, single cell organisms; the genome (the cell's DNA) has already been mapped for several cyanobacteria species; and there is a robust set of "tools" available to modify them.

Matrix has used these tools and the immense power of biotechnology to create new and proprietary strains of cyanobacteria that can produce oil in significant quantities and in a range of specifications. Second and third generation organisms are being developed that not only surpass these oil yields, but also contain additional new traits that enhance their production characteristics and make them suitable for a range of end products including fuels, chemicals and other products.

"Avista has a long history of fostering innovation within the energy sector," said Roger Woodworth, Vice President and Chief Strategy Officer at Avista Corp. "We appreciate the need to find alternatives to petroleum for a sustainable future, and we are excited by the progress and the promise of Matrix's approach."

As the company completes its spinout, Matrix is now focused on further developing its technology to: produce lipids (oils) for fuels and other products; develop production strains that are suitable for different growing environments, resistant to predators and harmless to the environment around them; create strains that continually produce and secrete oils, removing the need for costly harvesting; and increase the cultivation capacity to provide samples for testing with commercialization partners and prospects.

The announcement will be made today at a special event at Matrix Genetics' current lab facilities as part of the "Summer of Algae II," a national campaign sponsored by the Algae Biomass Organization, the trade association for the U.S. algae industry, which features similar open house-style events across the country.

### About Matrix Genetics

Matrix Genetics, LLC ("Matrix"), located in Seattle, Wash., is a biotechnology company focused on producing renewable fuel and specialty chemicals derived from cyanobacteria (blue-green algae). The company's state-of-the-art, metabolic engineering and systems biology platform is the most cost-efficient method to customize organisms with a range of traits for these industries. More information is available at [www.matrixgenetics.com](http://www.matrixgenetics.com).

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